



# Retiree News

## Spring 2010

### Retirement Board

George W. Stevens,  
Chairman  
Mark R. Vincent,  
Vice Chair

#### Members

James Green  
David F. Kallas  
Bart Mangino  
David Olsen  
Charles A. Silvestri

### Executive Staff

Dana K. Bilyeu  
Executive Officer  
Tina M. Leiss  
Operations Officer  
Ken Lambert  
Investment Officer

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## PERS ANNUAL REPORT

Each year the Public Employees' Retirement System of Nevada publishes an annual report, which is submitted to the Governor, members of the Nevada Legislature, public employers, as well as employee and employer associations. Your Spring 2010 Retiree News includes some of the highlights from the 2009 annual report.

### Retirement System Statistics

Our motto at PERS is "Dedicated to Those Who Serve Nevada." To that end, during fiscal year 2009 we:

- Answered 122,882 telephone inquiries from members and benefit recipients
- Received 505,370 hits at the PERS website
- Responded to more than 3,515 emails
- Provided individual counseling to approximately 11,613 members and
- Conducted 190 informational PERS

programs that were attended by 7,405 members, benefit recipients, and others

- Processed 5,098 retirement, survivor, and disability benefit applications
- Made benefit payments to approximately 41,900 beneficiaries with a total annual benefit payroll exceeding \$1.1 billion
- Hosted an employer conference that was attended by 136 representatives from 69 employers

### Average Benefit Payments Comparison 2000 vs. 2009

Years Ending June 30	Regular Members		P/F Members	
	2000	2009	2000	2009
Average Monthly Benefit	\$1,626	\$2,428	\$2,445	\$3,926
Average Monthly Compensation	\$4,023	\$5,139	\$5,341	\$7,710
Number of New Retirees	1,791	3,996	234	379
Average Years of Service	19.27	19.8	21.44	22.21
Average Retirement Age	59	61	54	54

# ANNUAL REPORT - FISCAL YEAR 2009 HIGHLIGHTS

## Legislation

Approximately seventeen separate pieces of legislation were introduced that could have affected the System. Highlights include new provisions for an exemption from reemployment restrictions for retirees who return to public employment in a position designated as one of critical labor shortage. These provisions are scheduled to sunset on June 30, 2015. Prior to the scheduled sunset date for this legislation, the System will conduct an experience study of this benefit and the related costs. In addition, an exemption from certain reemployment restrictions for retirees who serve as volunteer firefighters was passed by the 2009 Legislature. Modifications to the reemployment restrictions for senior justices or judges in the Judicial Retirement System were also passed.

Legislation was passed modifying benefits for members first enrolled in PERS on or after January 1, 2010, including modifications to retirement eligibility ages, early retirement reduction, service time multiplier, average compensation calculation, and post-retirement increases. This legislation also included modifications to statutory language regarding employer responsibilities, the contribution rate mechanism, and membership on the Police and Firefighters' Retirement Fund Advisory Committee. No other benefit modifications affecting PERS were approved in the 2009 legislative session.

## System Governance

During this past year the Board completed a self-assessment process with the assistance of Executive staff and a consultant. The Board also completed a review of compliance with the governance charters. The review demonstrated a high degree of compliance with verifiable provisions of the charters.

## Operational Initiatives

Operations of the System are conducted in accordance with the Operational Yearly Plan. This plan is designed to organize all agency functions by department and to ensure that all duties are performed within the fiscal year. Between July 1, 2008, and June 30, 2009, staff completed approximately 82,000 pieces of work. Of this group, 47,000 were directly related to customer requests with the remainder relating to back office support. Approximately 93% of all work was performed within the ten working days benchmark. Benefit payments were made to approximately 38,000 beneficiaries monthly.

The PERS Planning Ahead Audio Program was added to the website in fiscal year 2009. The online program allows members to view a PERS program from their desktop at a time that is convenient for them. Public employers also use this program as a training tool for their newly hired employees. PERS' online programs received over 1,900 discrete web hits, indicating the programs are a useful tool of new employee orientation for our employers.

The 5th Annual Liaison Officer Conference was held in Reno on November 14, 2008. Public employers from across the state attended this one-day conference. Reviewing the conference attendee surveys completed at the end of the conference reveals 100% of attendees rated the conference good or excellent.

## Information Technology

Staff continued to enhance the System's disaster recovery site in fiscal year 2009 through ongoing testing of various System processes. In addition, PERS maintained its security certification through an information technology security consultant and continues to participate in this security review on an ongoing basis.

## Strategic Planning

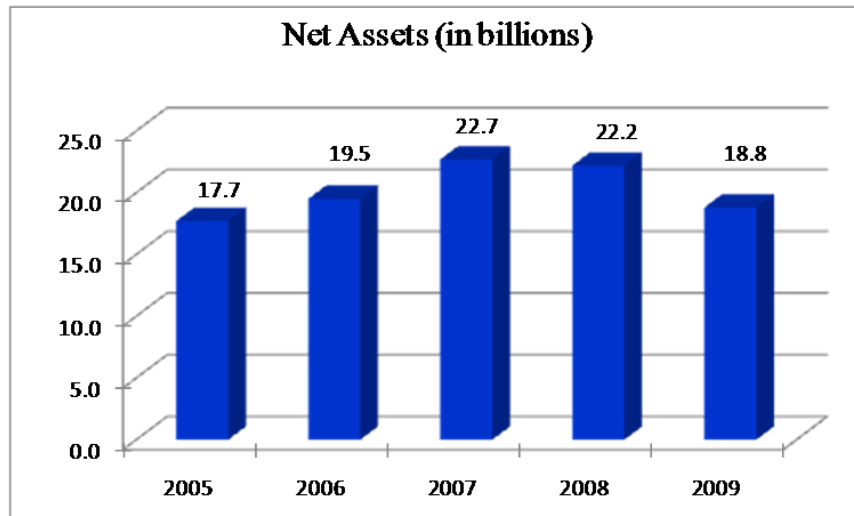
Annually, PERS' executive staff reviews the System's strategic plan for updates, including both additions and deletions. The Strategic Plan covers a five-year period and is updated annually by the Executive Officer in consultation with the Board. The strategic planning process was changed this past fiscal year in order to facilitate strategic planning for all aspects of the System in September in conjunction with the annual Planning Seminar. The current Strategic Plan is available on the website.

# ANNUAL REPORT - FISCAL YEAR 2009 HIGHLIGHTS

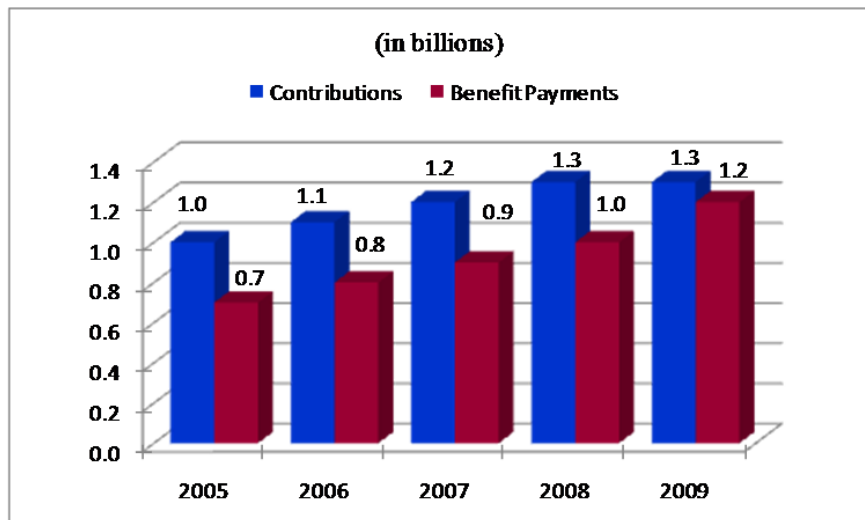
## (CONTINUED)

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
<b>Total Investments</b>	\$18.5 billion	\$22.2 billion
<b>Actuarial Valuation</b>	72.5%	76.2%
<b>Total Contributions</b>	\$1.3 billion	\$1.3 billion
<b>Benefit Payments</b>	\$1.2 billion	\$1.0 billion
<b>Refunds of Contributions</b>	\$18.6 million	\$16.8 million

The recent financial crisis has been the catalyst for some of the largest market declines in over 30 years. In this environment, PERS was quite competitive versus other large public pension plans, ranking in the top 25% for the return and the bottom 25% for risk.



The number of active members declined slightly between 2008 and 2009, although contributions grew during the same period. Purchases of service decreased \$15.2 million or 35% between 2008 and 2009. Refunds of contributions are unpredictable from year to year, however, the decline of purchase of service and repayment of refunds was majorly influenced by the challenging economy. Benefit payments rose 15.1% between 2008 and 2009.





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### 2010 Check Mail Dates

**April 27, 2010**

**May 25, 2010**

**June 25, 2010**

**July 27, 2010**

**August 26, 2010**

**September 27, 2010**

**October 25, 2010**

**November 23, 2010**

**December 27, 2010**

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## PERS Limited Power of Attorney

Members and Retirees may now access a new form through PERS that allows for the designation of a Limited Power of Attorney.

A Power of Attorney authorizes another person or organization to handle your affairs while you are unavailable or unable to do so.

This document was created for the specific purpose of conducting PERS business which may include address and direct deposit changes, endorsing checks, release of account information, etc. Once designated, a PERS Power of Attorney will remain in effect until revoked by the you.

The PERS Limited Power of Attorney form can be found on the PERS website or a copy can be provided by contacting our office.

**Questions?**

**Call us toll free 1-866-473-7768**

This publication is intended to provide general information. If there is any conflict between this information and Nevada laws or PERS policies, the laws and policies will supersede this information. *Retiree News* is a quarterly newsletter for retired members and benefit recipients of the Public Employees' Retirement System of Nevada. Comments or suggestions may be directed to: PERS, Newsletter, 693 W. Nye Lane, Carson City, Nevada 89703